

AN ORDINANCE

01-0 -1344

BY COMMUNITY DEVELOPMENT/HUMAN RESOURCES COMMITTEE

AN ORDINANCE TO CREATE THE MILDRED PLACE HOUSING ENTERPRISE ZONE; AND FOR OTHER PURPOSES.

WHEREAS, an amendment to the Constitution of the State of Georgia was adopted by referendum in November 1982 giving the Council of the City of Atlanta power to create urban enterprise zones in the City of Atlanta; and

WHEREAS, enabling legislation known as the Atlanta/Fulton County Urban Enterprise Zone Act was enacted by the Georgia General Assembly and signed by the Governor in March 1983 and subsequently amended; and

WHEREAS, the Atlanta/Fulton County Urban Enterprise Zone Act gives the Council of the City of Atlanta authority to designate areas within the City as urban enterprise zones for housing purposes if certain conditions are met; and

WHEREAS, designation of a Housing Enterprise Zone exempts the taxable value of property within the zone only from ad valorem taxes for City purposes, but the Board of Commissioners of Fulton County, by appropriate resolution, may exempt from ad valorem taxation for County purposes the taxable value of the same property exempted by the City; and

WHEREAS, types of property may be exempted, conditions must be met by owners of private property to qualify for an exemption, period and rate of exemptions, and elections may be made by the Atlanta City Council among various types of exemptions which are specified by State law; and

WHEREAS, State law provides that an exemption from ad valorem taxation for City purposes also includes, but is not limited to, school and educational purposes; and

WHEREAS, the City of Atlanta Development Impact Fee Ordinance provides that, under certain conditions, the City may exempt development in urban enterprise zones from the requirement to pay development impact fees; and

WHEREAS, it is the expressed intent of the Atlanta City Council to use urban enterprise zone legislation as an incentive to generate private investment in areas of the City which otherwise might not attract such investments for housing construction and job creation purposes; and

WHEREAS, the conditions and qualifications of the Atlanta Urban Enterprise Zone Act, as amended, have been met relative to the creation of The Mildred Place Housing Enterprise Zone;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS AS FOLLOWS:

Section 1: It is found by the Council of the City of Atlanta that the area in and around 50 Mildred Place, location of the Mildred Place Housing Enterprise Zone is economically and socially depressed. It is further found that areas such as this contribute to or cause unemployment, create an inordinate demand for public services and, in general, have a deleterious effect on the public health, safety, welfare and morals. It is further found that these areas, as is the case with 50 Mildred Place are characterized by no investment or under-investment by private enterprise in ventures which produce jobs, trade, provision of services, and economic activities which individually and together contribute to a healthy society. This lack of private investment and activity contributes to social and economic depression in such areas. Therefore, it is in the public interest that incentives be provided to private enterprise to invest in such areas, and that such private enterprise place priority upon the employment of those residents in those economically and socially depressed areas designated herein as urban enterprise zones.

Section 2: The Mildred Place Housing Enterprise Zone is hereby created. The effective date of all exemptions established therein shall be January 1, 2002. The Mildred Place Housing Enterprise Zone shall be expired on December 31, 2011. The Mildred Place Housing Enterprise Zone shall otherwise not be abolished except as provided in State law. A legal description of The Mildred Place Housing Enterprise Zone is attached hereto as "Exhibit A", and made a part hereof, and shall be on file in the Bureau of Planning and the Office of the Municipal Clerk.

Section 3: Twenty percent (20%) of the total units to be provided, and ten percent (10%) of the units in each housing type and bedroom composition, shall be within the ability to pay of those households whose annual income does not exceed sixty percent (60%) of the median family income for the Atlanta metropolitan statistical area as most recently published by the United States Department of Housing and Urban Development (HUD), and as adjusted for household size in accordance with HUD procedures. For said units, the property owner shall verify each tenant's household income at the time that said tenant initially executes a lease agreement. Furthermore, the property owner, by January 31 of each year, shall submit a report to the Commissioner of Planning, Development, and Neighborhood Conservation, indicating the household income of each tenant who executed a lease agreement during the previous calendar year.

Section 4: The Municipal Clerk is hereby directed to transmit a copy of this Ordinance as well as the legal description of The Mildred Place Housing Enterprise Zone to the Tax Commissioner of Fulton County, to the Commissioner of the Department of Community Affairs of the State of Georgia, and to the Superintendent of the Atlanta Board of Education immediately upon approval by the Mayor of the City of Atlanta.

Section 5: That all ordinances and parts of ordinances in conflict herewith are hereby repealed.

Exhibit A

Proposed Mildred Place
Housing Enterprise Zone

Legal Description

PARCEL I:

ALL THAT TRACT OR PARCEL OF LAND LYING AND BEING IN LAND LOT 248 OF THE 17TH DISTRICT OF FULTON COUNTY, GEORGIA; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST SIDE OF MILDRED PLACE TWO HUNDRED SIXTY AND EIGHT TENTHS (260.8) FEET NORTH, AS MEASURED ALONG THE WEST SIDE OF MILDRED PLACE, FROM THE NORTHWEST CORNER OF MILDRED PLACE AND SUMLIN STREET; RUNNING THENCE NORTH ALONG THE WEST SIDE OF MILDRED PLACE SEVENTY (70.0) FEET TO A POINT WHICH IS THENCE NORTHWEST FORTY FIVE AND SIX TENTHS (45.6) FEET; THENCE WEST ONE HUNDRED SIXTY TWO (162.0) FEET, MORE OR LESS, TO PROPERTY NOW OR FORMERLY OWNED BY MRS. ANNE LILLIAN WALKER; THENCE SOUTH ALONG THE EAST LINE OF SAID WALKER PROPERTY EIGHTY FIVE (85.0) FEET; THENCE EAST TWO HUNDRED FOUR (204.0) FEET, MORE OR LESS, TO THE WEST SIDE OF MILDRED PLACE AND THE POINT OF BEGINNING; BEING IMPROVED PROPERTY KNOWN AS NO. 48 MILDRED PLACE, N.W., ACCORDING TO THE PRESENT NUMBERING OF HOUSES IN THE CITY OF ATLANTA.

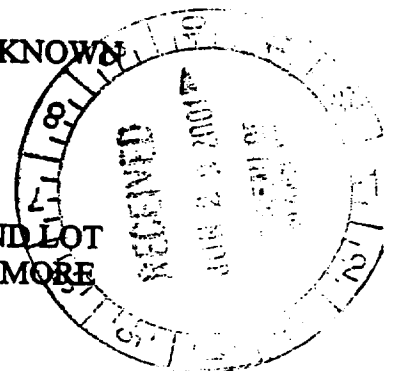
PARCEL II:

ALL THAT TRACT OR PARCEL OF LAND LYING AND BEING IN LAND LOT 248 OF THE 17TH DISTRICT, FULTON COUNTY, GEORGIA; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST SIDE OF MILDRED PLACE ONE HUNDRED FORTY FIVE (145.0) FEET SOUTH OF THE SOUTHWEST CORNER OF MILDRED PLACE AND SISK STREET; RUNNING THENCE WEST THREE HUNDRED FIFTY SEVEN (357.0) FEET TO AN IRON PIN ON THE EAST SIDE OF WOOD STREET; THENCE IN A SLIGHTLY SOUTHWEST DIRECTION ALONG THE EAST SIDE OF WOOD STREET ONE HUNDRED SIXTEEN AND THREE TENTHS (116.3) FEET TO AN IRON PIN; THENCE EAST THREE HUNDRED ELEVEN (311.0) FEET TO AN IRON PIN; THENCE IN A SLIGHTLY SOUTHEAST DIRECTION FIFTY (50.0) FEET TO THE WEST SIDE OF MILDRED PLACE ONE HUNDRED FORTY SEVEN AND SEVEN TENTHS (147.7) FEET TO AN IRON PIN AT THE POINT OF BEGINNING; AS PER PLAT BY HAROLD L. BUSH, SURVEYOR, DATED APRIL 17, 1947, BEING IMPROVED PROPERTY KNOWN AS NO. 50 MILDRED PLACE, N.W., ACCORDING TO THE PRESENT NUMBERING OF HOUSES IN THE CITY OF ATLANTA.

PARCEL III:

ALL THAT TRACT OR PARCEL OF LAND LYING AND BEING IN LAND LOT 248 OF THE 17TH DISTRICT OF FULTON COUNTY, GEORGIA; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:



BEGINNING AT A POINT ON THE WEST SIDE OF MILDRED PLACE EIGHTY FOUR (84.0) FEET SOUTH OF THE SOUTHWEST CORNER OF MILDRED PLACE AND SISK STREET; SAID POINT OF BEGINNING BEING THE SOUTHEAST CORNER OF PROPERTY NOW OR FORMERLY OWNED BY L.D. COUCH; RUNNING THENCE WEST ALONG THE SOUTH LINE OF SAID COUCH PROPERTY ONE HUNDRED SEVENTY EIGHT (178.0) FEET; THENCE SOUTH ALONG AN EAST LINE OF SAID COUCH PROPERTY SIX (6.0) FEET TO AN IRON PIN; THENCE WEST ALONG ANOTHER SOUTH LINE OF SAID COUCH PROPERTY ONE HUNDRED SEVENTY EIGHT (178.0) FEET TO AN IRON PIN ON THE EAST SIDE OF WOOD STREET; THENCE SOUTH ALONG THE EAST SIDE OF WOOD STREET FIFTY FIVE (55.0) FEET TO AN IRON PIN; THENCE EAST THREE HUNDRED FIFTY SEVEN (357.0) FEET TO THE WEST SIDE OF MILDRED PLACE; THENCE NORTH ALONG THE WEST SIDE OF MILDRED PLACE SIXTY ONE (61.0) FEET TO THE ABOVE MENTIONED COUCH PROPERTY AND THE POINT OF BEGINNING; AS PER PLAT OF HAROLD L. BUSH, C.E. DATED APRIL 17, 1947; BEING IMPROVED PROPERTY KNOWN AS NO. 54 MILDRED PLACE, N.W., ACCORDING TO THE PRESENT NUMBERING OF HOUSES IN THE CITY OF ATLANTA.

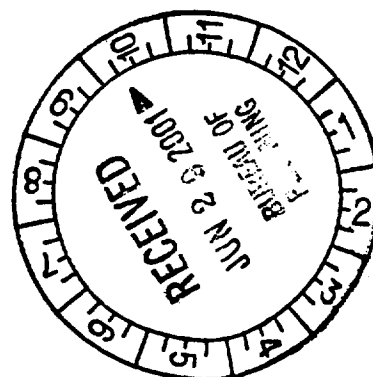
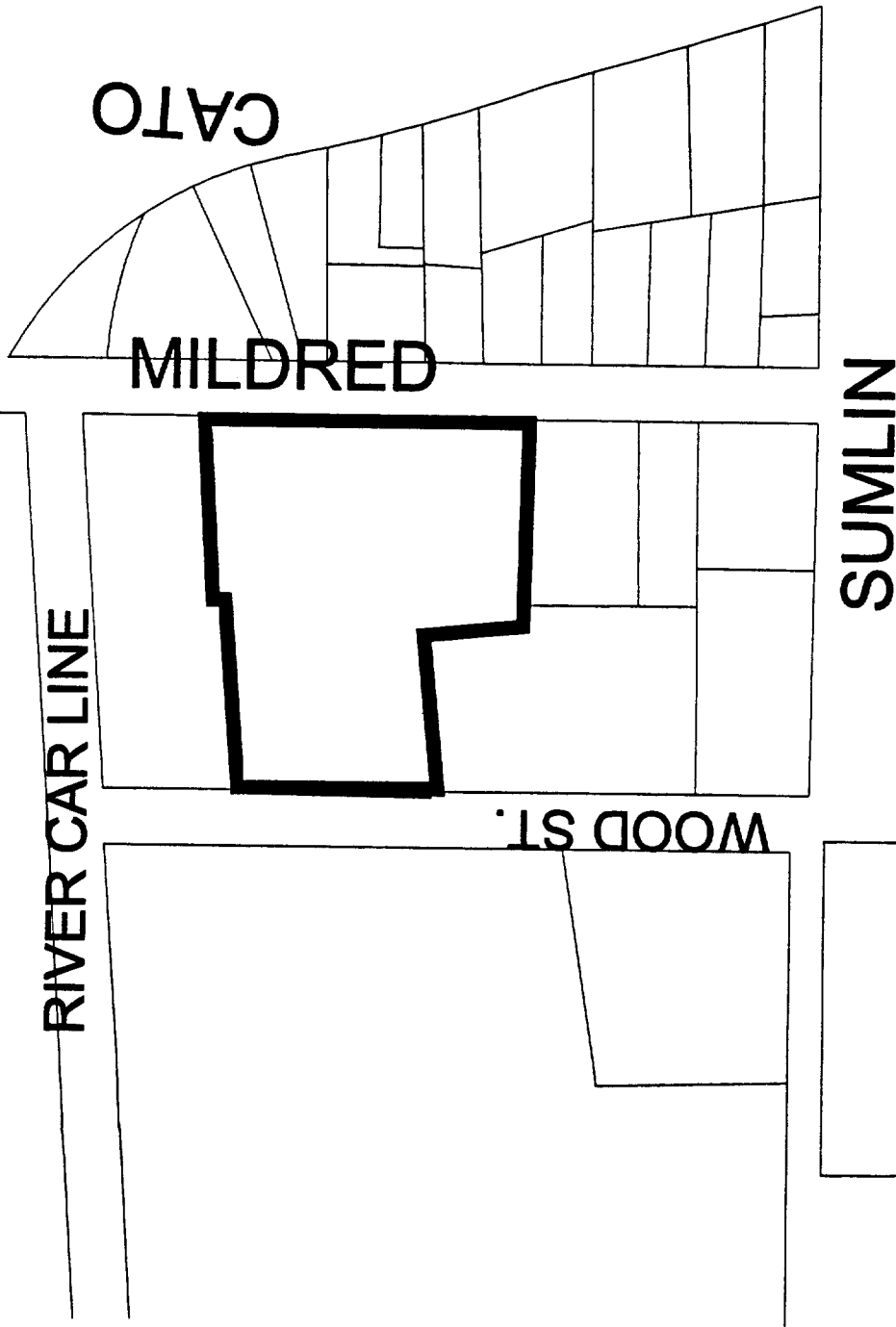
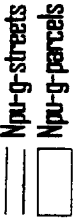


Exhibit B
Project Location Map

Proposed Mildred Place
Housing Enterprise Zone



50 MILDRED PLACE



Exhibit C
Acknowledgement Letter

Proposed Mildred Place
Housing Enterprise Zone

CITY OF ATLANTA

DEPARTMENT OF PLANNING, DEVELOPMENT AND NEIGHBORHOOD CONSERVATION
68 MITCHELL STREET, S.W. SUITE 3350 • ATLANTA, GEORGIA 30335-0308
404-330-6145 • FAX: 404-658-7491

BILL CAMPBELL
MAYOR

MICHAEL A. DOBBINS
Commissioner

TIM POLK
Deputy Commissioner

ROBERT C. GRAY
Director

Bureau of Planning

July 2, 2001

Terron (T.J.) Johnson
Johnson Properties & Investment
3408 Riverview Chase Way
Ellenwood, GA 30294

Dear Mr. Johnson:

We have received your application for designation of The 50 Mildred Place Project as a Housing Enterprise Zone. . We have found that your application is missing the following required information:

1. Justification for creating or expanding zone *based on purpose section of the ordinance.*
2. Verification from two or more lending institutions that 30% or more of the units are ready for construction by the end of the first year.

According to the City Code, Section 7-4069, Urban Enterprise Zones, all enterprise zone applications must include the items referenced above. As a result, we cannot process your application as submitted.

Should we receive the completed application, we will schedule your project for NPU G review, during the Thursday, July 19, 2001 meeting, located at the English Park Recreation Center, 1340 Bolton Road. Jessie White is the Chairperson for that NPU and can be reached at (404) 799-1831. Additionally, the Community Development and Human Resources Committee of the Atlanta City Council will hold a public hearing on your application on Tuesday, September 25, 2001 at 6:00 p.m. in the Council Chambers at City Hall. Please be present at the hearing to briefly present your proposal and to answer any questions regarding this application.

We appreciate your organization's commitment to the revitalization of the Mildred Place area and will be pleased to work with you. Should you require any further information, please contact Sara Wade Hicks at (404) 330-6728 or Valerie Bell-Smith at (404) 330-6899.

Sincerely,


Robert Gray

cc: Michael A. Dobbins, Commissioner
Tim Polk, Deputy Commissioner
Sara Hicks, Assistant Director
Vernon Jackson, NPU - G Planner

RG/vbs

Exhibit D
Evaluation Checklist

Proposed Mildred Place
Housing Enterprise Zone

EVALUATION OF PROPOSED MILDRED PLACE HOUSING ENTERPRISE ZONE			
Criterion	Required	Proposed	Compliance
1. Eligibility Criteria a. Evidence of Pervasive Poverty b. Unemployment c. General Distress (High Crime or Vacant/Abandoned Buildings) d. Underdevelopment	Area must meet 3 out of 4 Criteria a. Poverty rate of $\geq 20\%$ b. Census tract job loss $\geq 10\%$ of State Average <u>4.0</u> c. High Crime or Vacant/Abandoned Buildings d. Lack of development activity $< 20\%$ for NPU as compared to the city as a whole	a. Poverty rate of $\geq 30\%$ for CT 86.02 BG 4 b. 14% c. Vacant/Abandoned Buildings d. -26% Non-Residential Building Permits for NPU-G	√
2. Acreage	NONE	1.8 Acres	√
3. CDP Consistency	Medium Density Residential 0 – 16 Units per Acre F.A.R. = .350 - .699	Low Density Residential 8 Units Per Acre F.A.R. = .218	√
4. Zoning Compliance	Current Zoning Classification RG-3	RG-3	√
5. Project Specificity	Project Specific Zone or $> 50\%$ of Areawide Zone	Project Specific	√
6. Project Readiness	$\geq 30\%$ of Units to be Initiated in Year 1	100% or more in first year	√
7. Non-Displacement	Minimum Displacement	None	√
a. Affordability (Housing and Mixed-Use Residential/Commercial Enterprise Zones)	20% of total units and 10% of each housing type is affordable to households whose income does not exceed 60% of the median for the Atlanta MSA (low income). 20% must bear monthly rents $\leq 30\%$ of low income level, adjusted by family size. 20% must bear purchase prices $\leq \$120,340$ or 2.2 median income for the Atlanta MSA.	100% of all units will be reserved for low/moderate-income residents	√
b. Provision for Atlanta police officers and families (Housing and Mixed-Use Residential/Commercial Enterprise Zones)	5% of available units to be offered to Atlanta police officers and their families at purchase prices or monthly rents which do not exceed the low-income level of affordability	Proposes to comply	√
c. Financial Feasibility	<u>sales</u> - affordable units $\geq 20\%$ of total without exemption, or <u>rental</u> (cumulative basis over the 1 st five years) - a. negative cash flow, or b. debt coverage ratio < 1.20 , or c. a variable-ratio DCR equivalent to said fixed-rate ratio, based upon reasonable assumptions as certified		TBD

Exhibit E

2001 HUD Income Limits/Affordability

FAMILY SIZE (% OF BASE)	INCOME ADJUSTMENT	LIVING ACOMODATIONS EXPENSES (<30%)	MAXIMUM RENTS
1 PERSON (70%)	\$27,930.00	\$8,379	\$698
2 PERSON (80%)	\$31,920.00	\$9,576	\$798
3 PERSON (90%)	\$35,910.00	\$10,773	\$898
4 PERSONS - BASE	\$39,900.00	\$11,970	\$998
5 PERSONS (108%)	\$43,092.00	\$12,928	\$1,077
6 PERSONS (116%)	\$46,284.00	\$13,885	\$1,157
7 PERSONS (124%)	\$49,476.00	\$14,843	\$1,237
8 PERSONS (132%)	\$52,668.00	\$15,800	\$1,317
Maximum Sales Price \$146,300 (2.2 Rule / 2.2 times the Median Income)			
ASSUMPTIONS: Median Income \$66,500 - SMSA Rent Range is Determined by the Number of Rooms Per Unit and the Atlanta Housing Code Maximum Allowable Persons per Room - 2; A Two-Bedroom Apartment Unit Could Not House More Than a Four Person Household.			

TRANSMITTAL FORM FOR LEGISLATION

To Mayor's Office: Greg Pridgeon

(For review & distribution to Executive Management)

Commissioner Signature

Michael Pridgeon
Department of Planning

Director Signature

Robert Gray
Bureau of Planning

From: Department of Planning, Development
Neighborhood Conservation

Contact: Robert Gray

Committee(s) of Purview: Community Development / Human Resources

Committee Meeting Date (s) 9/12 CD, 9/25 Public Hearing
9/26 CD

Committee Deadline 8/27

City Council Meeting Date 9/17 & 10/1

CAPTION:

AN ORDINANCE TO CREATE THE MILDRED PLACE HOUSING ENTERPRISE ZONE; AND FOR OTHER PURPOSES.

BACKGROUND/PURPOSE/DISCUSSION:

Johnson Properties and Investments seek to develop 15 multi-family rental units to be located on 1.8 acres, one triplex and six duplexes. All of the units will be three-bedrooms. The proposed development is to be located at 50 Mildred Place, NW in Neighborhood Planning Unit G, Council District 9, in the Carey Park – Almond Park neighborhood. It is part of the Northwest Framework Plan area. The estimated cost of development is \$1M.

FINANCIAL IMPACT (if any):

The Department of Finance is conducting a fiscal impact analysis for the proposed zone.

Mayor's Staff Only

Received by Mayor's Office:

8/28/06
Date

Reviewed:

JS
Initials Date

Submitted to Council

Date

Action by Committee: ☐ Approved ☐ Adversed ☐ Held ☐ Amended
☐ Substitute ☐ Referred ☐ Other